

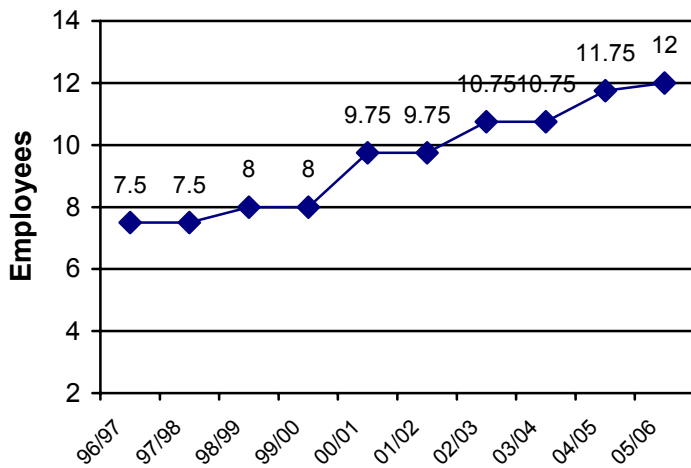
MISSION STATEMENT

To provide for the safe and efficient operation of the airport and deliver to the community aviation services through the total efforts of knowledgeable, conscientious, dedicated staff empowered by the public they serve.

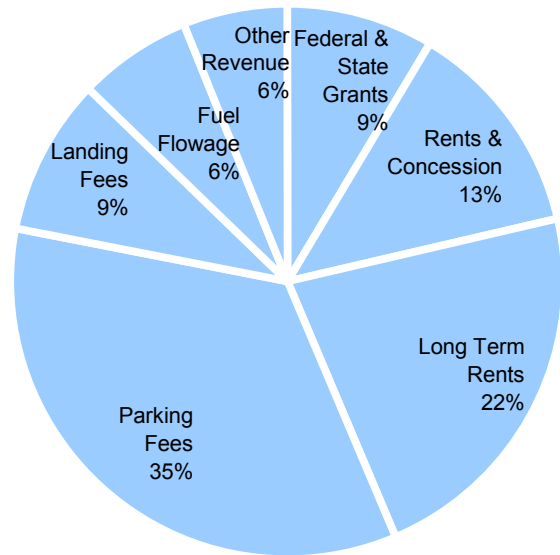
SCHEDULE 11

OPERATING DETAIL	ACTUAL 2003-04	ACTUAL 2004-05	RECOMMENDED ESTIMATES 2005-06	ADOPTED ESTIMATES 2005-06
(1)	(2)	(3)	(4)	(5)
REVENUES:				
OPERATING REVENUES				
FED AID SECURITY	274,033	281,174	268,862	268,862
RENTS and Concessions	348,439	363,079	391,850	391,850
Rents - Long Term	647,513	699,172	679,251	679,251
Parking Fees	754,052	819,146	1,066,000	1,066,000
Landing Fees	239,154	247,757	280,000	280,000
Fuel Flowage	163,028	209,043	200,000	200,000
Other Revenues	148,485	183,692	191,250	191,250
TOTAL OPERATING REVENUES	2,574,704	2,803,063	3,077,213	3,077,213
NONOPERATING REVENUES				
Grants-Federal/State	1,118,565	3,198,147	7,431,875	7,431,875
CALTRANS AERONATICAL LN	0	0	4,734,200	4,734,200
CAR RENTAL FAC LOAN	0	0	2,092,100	2,092,100
Other	580,408	390,244	654,625	654,625
Interest	5,977	11,994	5,000	5,000
TOTAL NONOPERATING REVENUES	1,704,950	3,600,385	14,917,800	14,917,800
TOTAL REVENUES	4,279,654	6,403,448	17,995,013	17,995,013
EXPENSES:				
OPERATING EXPENSES				
Salaries and Benefits	805,323	907,083	972,569	972,569
Services and Supplies	1,460,296	1,650,456	1,597,082	1,597,082
Countywide Overhead	156,212	218,747	304,537	304,537
Taxes & Assessments	268	0	0	0
Depreciation	488,026	529,460	544,000	544,000
TOTAL OPERATING EXPENSES	2,910,125	3,305,746	3,418,188	3,418,188
NONOPERATING EXPENSES				
General Fund Loan Payment	175,000	196,044	240,000	240,000
Operating Transfers In/Out	0	0	0	0
TOTAL NONOPERATING EXPENSES	175,000	196,044	240,000	240,000
TOTAL EXPENSES	3,085,125	3,501,790	3,658,188	3,658,188
NET INCOME (LOSS)	1,194,529	2,901,658	14,336,825	14,336,825
FIXED ASSET EXPENDITURES				
Capital Projects	1,372,367	3,170,619	14,648,800	14,525,500
Fixed Assets	16,830	0	84,100	84,100
Land	39,156	0	0	0
TOTAL FIXED ASSET EXPENDITURES	1,428,353	3,170,619	14,732,900	14,609,600

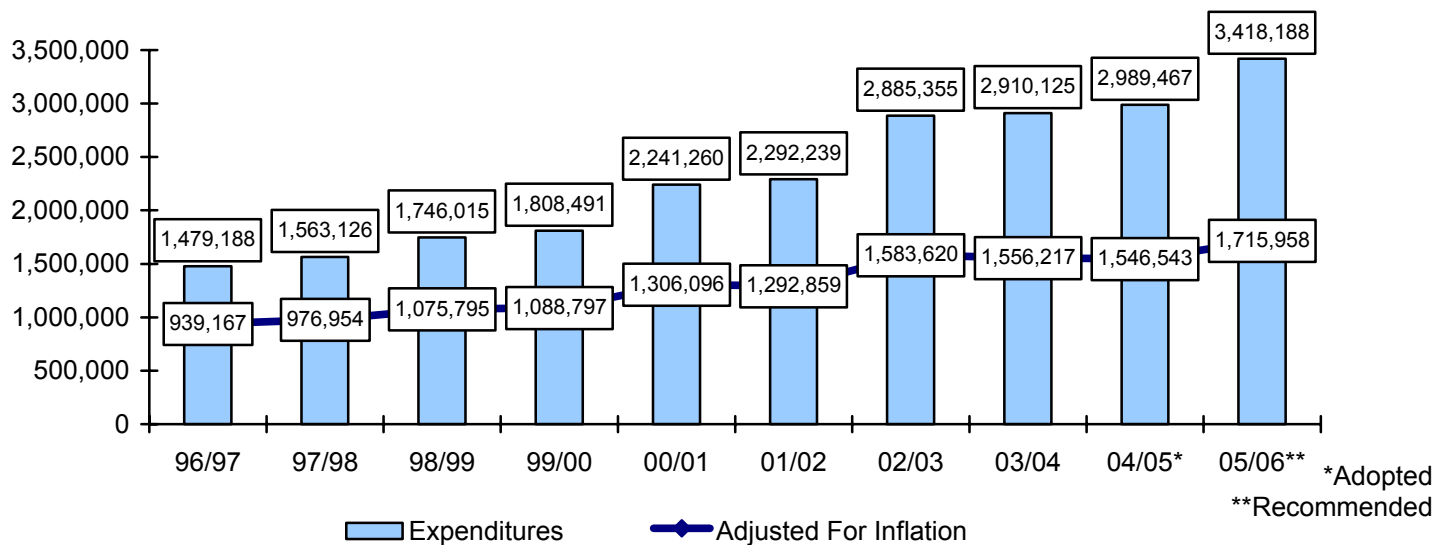
Number of Employees
(Full Time Equivalent)



Source of Funds



10 Year Operating Expenses Adjusted For Inflation



SERVICE PROGRAMS

San Luis Obispo and Oceano County Airport Operations

Present and implement policies and procedures to insure the safety of airport users and enhance customer service. These policies and procedures produce the framework to manage, administer, operate, maintain, and provide security for the San Luis Obispo and Oceano County Airports serving commercial airline, private and business aviation users.

Total Expenditures: \$3,658,188 Total Staffing (FTE): 12.0

DEPARTMENT COMMENTS

The Department of General Services Airports continues to operate as an enterprise fund with no

Community Services

monetary

D-161

requirement for a general fund subsidy and maintains Board policy that allows the accumulation of designated reserves. It is recommended that all surplus reserves be specifically designated to provide the local matching share for FAA grants and other capital improvements.

Airports is submitting its annual budget for fiscal year 2005/06 with a request to increase one part time position in staffing levels, an additional ½ Senior Accounting Clerk. A part time temporary employee currently holds this position. Personnel department has concluded that this position does work of an on going nature and therefore cannot be performed by a temporary employee. This new position represents an insignificant increase to costs, as temporary costs decreased.

The Airports Budget Proposal Schedule 11 shows net income of \$14,304,693 less fixed assets of \$14,732,900 for a loss including depreciation of \$428,207. Depreciation totals \$544,000.

Salaries and Benefits accounts have increased by \$115,529. This increase was due to the Real Property Consultant (\$55k) that was budgeted as professional services in 04/05, but budgeted in regular hour's contract in the 05/06 budget, as well as increased benefit rates, step increases, and a projected COLA of 3% for next fiscal year.

Service and Supplies accounts increased by \$170,596 or 10.1% due to increased county wide overhead (\$86k), General Services Admin/Ops (\$39k), Sheriff Support Billings (\$74K), CDF billings contract for fire support (\$35k), offset by lower professional services (\$63k). In the 04/05 budget, the real property consultant was budgeted as professional services (\$47k), in 05/06; these charges are budgeted in regular hour's contract, part of salaries and benefits.

Other Charges increased by \$42,179, due to increased depreciation expense (\$32k) and an increased payment on the Cowan property loan (\$10k). The payments on the Cowan loan have a revenue offset from Customer Facility Charge funds.

Capital Projects included in the budget are noted below:

Design Runway Extn. 11 phase II	\$ 709,900
Eastside Ramp & FAA Taxiways & access Road	\$3,052,500
Construct T-hangars Eastside	\$4,734,200
Engineered Material Arresting System Installation Runway 29	\$3,945,800
New Rental Car Facility	\$2,092,100
Budget Augmentation Runway 25 Threshold	\$ 104,300
Oceano Airport Pavement Project	\$ 10,000

Fixed Assets included in the budget are noted below:

Equip Maint Facility Purchase (from CDF)	\$ 84,100
--	-----------

TOTAL

\$14,732,900

Revenue estimates continue to be conservative. Operating revenues increased \$301,358 from current year estimated revenues due primarily to increased parking (\$213K) (\$2 fee increase), along with increases in tiedown fees and landing fees. Factors that have and will continue to produce increased revenues are the airline, car rental and restaurant concession agreements, and the fees associated with usage and growth.

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

The recommended budget, at \$18,391,088, is \$32,132 less than requested. The capital improvements, at \$14.7 million, are the major part of this budget with day to day operating expenses representing only 20% of the total at approximately \$3.7 million, including depreciation.

The recommendation includes a ¼ time FTE Senior Account Clerk rather than the half-time requested and makes minor adjustments in various line items to reflect expenditure trends justified in the budget materials submitted.

BOARD ADOPTED CHANGES

None.

GOALS AND PERFORMANCE MEASURES

Department Goal: Manage the San Luis Obispo and Oceano Airports in a manner that ensures the safety of the traveling public and complies with Federal, State, and local aviation and airport rules, regulations and advisories.

Communitywide Result Link: A safe community.

1. Performance Measure: Percentage compliance with annual FAA inspections of appropriate safety and security measures.

00-01 Actual Results	01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Adopted	04-05 Projected Results	05-06 Target
96%	99%	99%	99%	100%	100%	100%
What: Annual safety and security inspection of certified airports conducted by FAA staff.						
Why: To ensure the safety of passengers and the public.						
How are we doing? The airport has been very successful in meeting safety and security compliance to 100% standard. The most recent inspection indicated minor marking and signage issues that could be improved. Non-compliance issues are addressed through FAA "Letters of Correction". Corrections are addressed, remedied and reported back to the FAA.						

Department Goal: To cost effectively operate and maintain County Airports to enhance the air transportation service experience of airport users.

Communitywide Result Link: A safe, livable and prosperous community.

2. Performance Measure: Number of employees per 10,000 annual enplanements (boarding passengers) and operations (take off or landing of aircraft).

00-01 Actual Results	01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Adopted	04-05 Projected Results	05-06 Target
New Measure	.65	.70	.69	.76	.74	.71
	Employees/ Enplanement	Employees/ Enplanement	Employees/ Enplanement	Employees/ Enplanement	Employees/ Enplanement	Employees/ Enplanement
	.65	.85	.98	.83	1.09	1.03
	Employees/ Operations	Employees/ Operations	Employees/ Operations	Employees/ Operations	Employees/ Operations	Employees/ Operations
What: Measures staffing in relationship to workload.						
Why: This measure helps to show the public that the Airport Enterprise is efficiently staffed.						
How are we doing? The 04/05 projected results for employees/enplanement reflect additional headcount of a contracted property agent and a new operations specialist, and 04-05 projected results show an improvement over budget. Employees/operation relates more to services levels for general aviation. General aviation accounts for approximately 77% of operations. The 04-05 adopted budget projected a higher level of operations than we are currently experiencing due to a decline in GA operations. However, GA operations are highly dynamic and the decline is not an indication of future trends, rather current demand for flight lessons and the like.						